1

2

3

4

5

6

7

8

9

10

11

12

13

14

1516

17

18

1920

21

22

23

UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON AT SEATTLE

NXP USA, INC., and NXP B.V.,

Plaintiffs,

CASE NO. C20-1503-RSM-MAT

v.

IMPINJ, INC.,

Defendant.

ORDER RE: PENDING MOTIONS

Defendant Impinj, Inc. ("Impinj") filed a Motion for Stay (Partial) and Motion for Leave to File Amended Answer in this patent infringement matter. (Dkts. 60 & 63.) Plaintiffs NXP USA, Inc. and NXP B.V. ("NXP") oppose the motions. (Dkts. 65 & 70.) The Court, having considered the motions, responses, and the remainder of the record, finds and ORDERS as follows:

(1) Impinj seeks a stay of plaintiffs' claims on six of the eight patents asserted pending final resolution of petitions for *inter partes* review with the U.S. Patent and Trademark Office (PTO). (Dkt. 60.) The Court finds this request both reasonable and warranted given: (a) the significant chance it will substantially simplify the issues in this matter and streamline proceedings by reducing the claims at issue; (b) the still early stage of these proceedings, prior to the issuance of a scheduling order; and (c) an absence of undue prejudice or clear tactical disadvantage to NXP.

ORDER PAGE - 1 See Pac. Bioscience Labs., Inc. v. Pretika Corp., 760 F. Supp. 2d 1061, 1063 (W.D. Wash. Jan. 10, 2011). Accordingly, Impinj's motion for a partial stay (Dkt. 60) is GRANTED, and NXP's claims relating to U.S. Patent Nos. 6,680,523; 6,819,092; 7,257,092; 7,374,097; 7,538,444; and 7,795,951 are stayed pending resolution of Impinj's petitions for *inter partes* review before the Patent Trial and Appeal Board ("PTAB").

(2) Impini also seeks leave to file an amended answer pleading a license as a defense to four of NXP's allegedly infringed patents and adding counterclaims that NXP has infringed eight of Impini's patents. (Dkt. 63.) The request to add the defense is appropriate in light of Impinj's contention that, if found a beneficiary to a licence agreement, Impinj could not be found to have infringed on four patents. See 35 U.S.C. § 271(a) ("whoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor, infringes the patent") (emphasis added). The Court is otherwise not persuaded by the request for leave to amend. It is true that, pursuant to Federal Rule of Civil Procedure 15(a)(2), "[t]he court should freely give leave [to amend] when justice so requires." However, like the judge overseeing Impinj's suit against NXP currently pending in the Northern District of California, see Impinj, Inc. v. NXP USA, Inc., C19-3161-YGR (N.D. Cal.) (Dkt. 33), this Court has a strong interest in keeping the number of patents at issue to a manageable level. Depending on the outcome of PTO proceedings, this matter may require the Court's adjudication of claims associated with eight patents. There is no question a doubling of the number of allegedly infringed patents would substantially increase the complexity and difficulty of litigation and the Court's ability to manage this matter and resolve the parties' disputes expeditiously. The Court, as such, GRANTS in part and DENIES in part Impinj's Motion for Leave to File Amended Answer. (Dkt. 63.) Impinj shall file a modified

ORDER PAGE - 2

1

2

3

4

5

6

7

8

10

11

12

13

14

15

16

17

18

19

20

21

22

23

amended answer, consistent with the Court's rulings, within **ten** (10) **days** of the date of this Order.

- (3) As previously arranged, counsel for the parties shall appear by telephone for the status conference scheduled for **February 24, 2021** at **10:00 a.m**. The parties shall further, in light of the Court's rulings above and no later than **February 22, 2021**, either submit a joint scheduling order/discovery plan or separately submit specific proposals for the Court's consideration at the status conference.
- (4) The Clerk is directed to send a copy of this Order to the parties and to the Honorable Ricardo S. Martinez.

DATED this 12th day of February, 2021.

Mary Alice Theiler

United States Magistrate Judge